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THE NATIONAL FOUNDERS' ASSOCIATION ¹

SUMMARY

The National Founders' Association is typical of those American employers' associations which advocate the open shop, 353. — Development of the policy of the Association, 354. — Methods of defending members against the demands of the Union, 357. — Administration of the defense system, 364. — Classification of membership in the Association, 370. — Requirements for admission, 372. — Government and financial system, 377. — Constructive activities, 383.

EMPLOYERS' associations in the United States formed for the purpose of dealing with or opposing organized bodies of workmen are of comparatively recent origin, but in the last fifteen years they have become a factor in industrial relations which is not to be ignored. Each December the Stove Founders' National Defense Association and the Iron Molders' Union hold a conference at which are determined wages and conditions of employment in the stove foundries for the succeeding year; the glass manufacturers meet representatives of the several glassworkers' unions annually; the coal operators in the southern and southwestern coal fields have a series of written agreements with the United Mine Workers of America. In these and several other industries which might be mentioned, the system of collective bargaining developed between the manufacturers and their men has resulted in the maintenance of a permanent industrial peace.

¹ The material presented in this paper was in large part collected by the writer while she was an agent of the United States Commission on Industrial Relations. It consists almost entirely of manuscripts and other documents in the possession of the National Founders' Association and the Iron Molders' Union. The examination of manuscript and printed material has been supplemented by visits to a number of foundries, and by interviews with Union and Association officials. To the generous cooperation of these latter is due much of whatever merit may be possessed by this and other studies to be made of the relations of Union and Association.

On the other hand, a number of organizations of employers exist almost exclusively for the purpose of resisting collective bargaining and recognition of the unions, on the theory that where the complete autocracy of the employer is preserved, the interests of all are better cared for than under any scheme of industrial democracy yet devised. Nor has this conclusion been reached by purely deductive reasoning on the part of those who take this position. One of the most significant features of their program is that it is based upon a wealth of experience, for of the employers' associations active in opposing the advance of the unions, some of the most important are those which have attempted to operate under agreements with organizations of their men, and after affording the system a trial, have found it unsuited to their needs and unadaptable to their industries. This is true of the National Metal Trades Association which now refuses to deal with the Machinists' Union, of the National Erectors' Association which will no longer countenance the International Association of Bridge and Structural Iron Workers, of the National Founders' Association as regards the Iron Molders' Union. In addition, the influence of these failures has spread to non-trade organizations of employers such as the Anti-Boycott Association, the National Association of Manufacturers and the Citizens' Alliances which have incorporated in their policies a definite defense against union aggressions of every kind.

The oldest and in some ways the most interesting of these now hostile trade organizations of employers is the National Founders' Association, whose membership comprises nearly five hundred manufacturers of cast iron specialties in the United States and Canada, employing approximately one-eighth of all the molders and coremakers in the country and producing a consid-

erable proportion of the output of heavy machinery and lighter iron castings. The story of this organization's struggle with the Iron Molders' Union must always be an important chapter in the history of the American labor movement. Formed in 1898 for the distinct purpose of substituting for the prevailing industrial war, a policy of coöperation with the Union, as had been so successfully done by the employers in the stove branch of the foundry trade, the National Founders' Association the next year entered with enthusiasm into an agreement with the Union to arbitrate¹ disputes and thus do away with strikes and the other annoyances characteristic of a union dominated industry. But as the months went by, this instrument designed for peace seemed to bring only an increase of trouble. Misunderstandings as to its purpose and the method of its operation, combined with actual if not especially glaring violations of its terms on the part of both organizations, soon served to bring about great dissatisfaction. Yet for nearly six years the prescribed form of negotiations was gone through and an honest effort was made by Association and Union to reach a mutually acceptable method of procedure. When at last it became clear that there was no ground on which both could meet, the Association abrogated the agreement and attempts at collective bargaining were abandoned.

It was perhaps unfortunate that relations with the Union were undertaken by the National Founders' Association before its fundamental law and administrative machinery were fully competent to handle the problems this relationship entailed, but in developing

¹ The word "arbitration" as applied to the settling of labor disputes was originally used to designate all forms of conferences between employers and employees. In the case of the Iron Molders' agreements with both the Stove Founders' National Defense Association and the National Founders' Association the system required pure conciliation, the board being composed of an equal number from each side with no provision whatever for real arbitration involving the calling in of an odd man.

the technique as well as the policy of the Association to its present high standard of efficiency the experience with the Union played an important part. As will appear in the following pages, it was not until 1904 and the abrogation of the agreement that the policy of the Association was firmly established and the governmental, financial and defense systems completely worked out. Since that time, no change worth mentioning has been made in either structure or method and the Association today is practically what its intercourse with the Iron Molders' Union has made it. It is the purpose of the present paper to describe its structural evolution, but in presenting the facts as to the development of its procedural mechanism no attempt has been made to pass judgment upon the justice of the position it has assumed or the principles for which it stands.

The objects of the National Founders' Association as stated in the constitution are "1st — The adoption of a uniform basis for just and equitable dealings between the members and their employees whereby the interests of both will be properly protected. 2nd — The investigation and adjustment by proper officers of the Association, of questions arising between members and their employees." This purpose has never changed in the seventeen years of the Association's existence, but the means by which it is to be accomplished have altered considerably.

At first, there was no definitely expressed policy beyond a determination to band together the foundrymen of the country for the purpose of ridding themselves of many of the working conditions which long years of effective unionism had established in their shops and of preventing further encroachments from that source. In place of union rules as the controlling

force in fixing shop conditions, it was desired to establish those "general principles of freedom to employers in the management of their works" recognition of which the British manufacturers in the industry had just obtained in an agreement with their men. Nothing in this, however, implied any intent to crush the Union. Indeed, there was no hostility on the employers' part except to those practices which it was believed had proved detrimental to their employees as well as themselves. Could these be eliminated, and the good which was known to inhere in organized action be molded to the employers' ends, it was thought the workmen and the industry would both benefit.¹

The model of procedure first followed was that used by the Stove Founders' National Defense Association, whose constitution was in many parts copied almost verbatim and whose policy of agreements with the Union served as the inspiration for the newer organization's attempt to reach a satisfactory system of collective bargaining. But these were no sooner tried than they proved in some rather serious ways to be unsuitable. The constitutional misfits were remedied as the need became apparent; the difficulties with the Union were much more fundamental. It was soon discovered that the freedom from labor troubles which the Stove Founders had secured through their agreement had been purchased at the price of surrendering a considerable share of the control of the industry, that instead of shaking off union rules and a never before recognized

¹ Proceedings of the Meeting of the Foundrymen, New York, January 26, 1898, William H. Pfahler, *History of the National Founders' Association* (ms.), Proceedings of the Conference between the National Founders' Association and the Iron Molders' Union of North America, New York, March 8, 1899 (ms.), pp. 5-6; Proceedings of the National Founders' Association, Buffalo, February 1, 1899, p. 4, *ibid*, Niagara Falls, August 9, 1899, pp. 41, 45; *ibid*, New York, November 13, 1901 (ms.), pp. 76, 128; *ibid*, Washington, November 11, 1903, p. 5; *ibid*, Cincinnati, November 16, 1904, in *The Review*, December, 1904, pp. 7-8, 36; National Founders' Association Confidential Circular No. 6.

participation in shop management, agreement had come to mean in the stove foundries, legitimized co-partnership of authority and administration.

Such a system the National Founders' Association had never contemplated, nor were its leaders convinced that conciliation necessarily implied such a yielding to the Union as the stove men had granted, with what they considered to be so little given in return. During the years of bargaining which followed, there was evident on the part of the Association a willingness to make certain concessions to the Union if its members were to receive commensurate benefits. But all attempts to reach a mutually acceptable set of working rules were balked by the Union's inability to give up or modify any part of its fundamental law. This attitude on the part of the Union may not have been without some justification, but the fact remains that the original plasticity of the Association's policy gave way gradually to a rigidity which made it as unarbitrable and unsusceptible of compromise as that of the Union, and whereas in 1900 the cardinal principles according to which the Association desired to operate were presented mainly as a suggestion of certain features to be embodied in an agreement, since 1904 they have served as an ultimatum whenever Association and Union have come in conflict.

Briefly summarized, the Association's *outline of policy* declares against union restriction of output, union limitation of the earning capacity of the employee, union limitation on the employment of apprentices, union imposition of fines and restrictions upon workmen. It is in favor of a fair day's pay for a fair day's work, the right of the employer to hire whomsoever he sees fit without regard to union affiliation, the operation of molding machines and approved appliances without

restriction, the education of the American boy in the trade of molding without union interference. Instead of representing its members in a collective capacity to negotiate with their men for the terms of employment, the Association has become in reality a mutual insurance organization whose members are protected against the excessive demands of the Union and receive aid in upholding in their shops the principles for which the Association stands.

Altho the original law of the Association, combined with the almost immediate ratification of the agreement with the Union, made ample provision for the elimination of cessations in the industry through the use of conciliation in the settlement of disputes, the Association was so organized that it could fight if occasion required, and in spite of all efforts to maintain peace, recourse to active defense measures was frequently thought to be necessary. When relations with the Union were broken off entirely, altho the Association continued to endorse the principle of employer and employee getting together to talk over disagreements, its protective work was still further developed and systematized.

The by-laws have always stipulated that when a member had a dispute with his employees which neither he nor representatives of the Association could settle and in which the latter believed he should receive support, he might be defended in one of three ways: *first*, by procuring men for him who would take the place of the strikers; *second*, by affording him compensation for loss of production; *third*, by making such work as he might require.

In practice, securing molders to take the place of strikers has been the method of defense most generally used. Very early the plan was devised of issuing to

those men who had been faithful to their employers in time of labor troubles, a " card " or certificate of loyalty which was to secure for them the special consideration of all members and which at the same time made available for the Association a somewhat permanent force of strike breakers. The cards were accepted by the men with the understanding that they were issued by the Association and remained the property of the Association, to be revoked and recalled at pleasure upon evidence of breach of faith on the part of the holder. Whenever a man took employment with an Association member he deposited his card with his employer to be returned to him at the termination of his contract if his service had been satisfactory, or turned over to the secretary of the Association with a statement of the circumstances for investigation in case his conduct had not been such as befitted the bearer of such a recommendation. It was not intended that card men should remain in the foundries of members as permanent employees, but should be used simply to break a strike and then be moved on when the trouble was over and the regular force returned. In the two big strikes which were handled with this system of defense, seventy-five per cent of the strike breakers used in the second were card men who had been employed in the first,¹ which would seem to indicate that the men were pleased with the arrangement and that for the Association it provided a means of getting molders much more satisfactory than the usually resorted to newspaper advertisements and employment agencies.

It is not known exactly how many of these cards were issued. The first were given out during the Cleveland strike of 1900, and in the following May immediately after the settlement of that dispute, it was reported that

¹ Report of the Secretary, N F.A , November, 1901 (ms) , p. 30.

two hundred and twenty-one were held by men who had worked for the Association at least sixty days.¹ By November, 1902, the number had increased to four hundred and thirty-one.² Altho the practice of issuing cards was continued for some time longer, it is probable that not many more than this were given out, perhaps five hundred in all.

Besides receiving the cards, the men who were used to break strikes were guaranteed a "bonus" of at least a dollar a day in addition to the wages paid by the individual employer in whose shop they worked. This bonus was paid from the reserve fund of the Association as a "strike benefit" in recognition of the great inconvenience, social ostracism and perhaps even personal danger to which every strike breaker is known to be more or less liable. Loam molders in Cleveland received a bonus of four dollars and it is probable that some men earned seven dollars and more a day at that time.³

The cost of this card and bonus system was thought to be on the whole less than that of any other method of combating labor troubles. In the Cleveland strike, which lasted seven and a half months, and required the importation of six hundred and ten men who worked one day or more, the total cost to the Association was \$142,604.52, divided as follows:

Administrative council	\$2,899.37
Office expense	5,649.51
Procuring molders	7,153.42
Delivering molders	6,199.39
Compensation to foundries	31,175.25
Bonus to molders	79,705.53
Detective service	4,476.98
Miscellaneous expense	793.65
Expense of riot, September 29, 1900	854.04
Legal services	415.00
Expense of boarding men out	3,282.38

¹ Report of the Secretary, N.F.A., May, 1901 (ms.), p. 13.

² Proceedings, N.F.A., Detroit, November 19, 1902 (ms.), p. 20.

³ Report of the Secretary, N.F.A., November, 1900 (ms.).

The cost of procuring and delivering molders alone was \$21.89 per molder.¹ In subsequent struggles this item was materially reduced because of the systematic use of card indexes and other devices for keeping in touch with the men once found, which made getting strike breakers at another time an easier matter than had been the assembling of the group in the first place. Thus, the total expense to the Association of the Chicago strike of 1901-1902, which lasted thirteen months was only \$47,582.33. Here, four hundred and forty men who worked one day or more were supplied at an average cost of only \$6.28 per man, the total saving per man per day worked being 117 per cent of the cost of the same item in Cleveland the year before.² In 1903 the total cost of supporting twenty-three members whose eight hundred and fifty-three men had gone out was only \$46,238.91.³

This method of fighting strikes was fairly satisfactory so long as it was expected the strike breakers would be used only as a temporary lever to bring to terms Union members who would eventually be taken back. But there were several circumstances in connection with the use of the cards which made them open to abuse, and moreover, the system left the members of the Association as dependent as ever upon the Iron Molders' Union for the maintenance of a trained and permanent labor force. This situation was recognized as early as 1901.⁴ But it was not until the break with the Union several years later, and the establishment of a non-union policy, that it became positively necessary to provide for a member having trouble with his molders a crew of

¹ Report of the Secretary, N F.A , May, 1901 (ms), pp 7-9

² Proceedings, N F A., Detroit, November 19, 1902 (ms), p 15

³ Ibid , Washington, November 11, 1903, p 12

⁴ Report of the President, N F.A , November, 1901 (ms), p 14

independent men who would permanently operate his foundry. To attain this end there are now employed under yearly contract a number of mechanics skilled in the trade of molding and coremaking who are placed in the shops of members in periods of labor troubles to act as instructors in breaking in and training new sets of men. These operatives are in no sense strike breakers, for from the moment the union men go out, the Union is completely ignored and the Association is concerned not with breaking the strike but with making the most of the opportunity afforded by the walkout to start up again on an independent and non-union basis. As rapidly as the shop assumes normal conditions, the contract molders are turned back to the Association and transferred elsewhere. By the terms of their contract, they are to go wherever they are sent, their railroad fare is paid and they lose no time because of the traveling.

All men employed through the Association to assist one of its members in making his foundry independent of the Union are engaged either under this yearly contract or under one which is very similar to it but is to run only sixty days. They are guaranteed wages varying from four to five dollars a day for day work, depending upon skill. In some cases the men arrange with the firms to which they are assigned, to work piece or premium plan, and earn in this way sums considerably in excess of the guaranteed day rate. It is said that the labor bureaus run by the Association have been in operation so long, and that the Association is so well and favorably known among the independent molders and coremakers of the country because of its fair dealings, that the bureaus are constantly in touch with men seeking work and can readily supply from time to time whatever labor is needed by the members. The

number of men under yearly contract varies with the industrial conditions prevailing. Their contracts expire at different times of the year and adjustment of supply to demand is therefore easy. When labor troubles have been few, not many will be thus engaged, but the sixty-day-agreement men supplement the others so nicely that practically any foundry can be adequately manned on twenty-four hours' notice.

When a member's support is to consist of the establishment of a new labor force in his foundry, the Association men are shipped to him and turned over to his control. Men who are to be trained are engaged, being often persons previously employed as laborers and at unskilled work in the shop. Machines are installed, specialized jobs are planned, piece work and other schemes for encouraging men to large output are introduced, and in a short time the foundry is in full operation with a new lot of men, improved appliances, and freedom from union rules and regulations.

Occasionally a condition may arise where it becomes necessary or desirable for one member to lend some of his men to another who is involved in a strike. This was sometimes done in the days before the present large supply of non-union men had been made available, but the commissioner reports that it is a practice to which recourse is now seldom had. Other methods of defense provided for in the by-laws are also used but little, altho they may at times supplement the customary method. To send struck work out to be made has been found very likely to bring on sympathetic strikes in the foundries to which it goes. To pay compensation for idle floors is readily seen to be only a last resort. Compared with the system of breaking in a crew of non-union molders for permanent employment, these latter plans present mere palliatives, for until a body of inde-

pendent men has been assembled and trained in any foundry, an employer is as much at the mercy of the Union as ever and has not succeeded in ridding himself of the causes which were usually instrumental in bringing on the trouble in the first place.

For administrative purposes the Association is divided into districts on geographical lines. In each district is a district committee of five members elected by the Association from names suggested by the members in the district, and an attempt is made to make these as representative as possible of the various localities and foundry interests. Each district committee chooses its own chairman and vice-chairman, who constitute with the president, vice-president and treasurer of the Association (unless as at present the last named is a banking institution) an administrative council. For all practical purposes, as regards formulation and carrying out of policy, this body is supreme, except that the constitution can be changed only by favorable action of two-thirds of the members; and such other matters as make an expression of opinion from all desirable are referred to their consideration.

From the very nature of the organization, the main function of the administrative council has been the settlement and prevention of labor difficulties. At first, the president and the district committees endeavored to adjust the constantly arising disputes without the services of any single person whose entire attention could be devoted to this work. Every time a member had a grievance with his employees, no matter how trivial, which the two parties could not settle among themselves, word was sent to the proper district committee. This had to meet within three days at the foundry of the complaining member, decide on the

merits of his controversy, and if it appeared he was in the right, arrange for such support as they were willing to allow in case the Union pressed the issue. It was also found necessary to convene the entire council in a number of sessions a year. Thus the time and effort required for Association affairs on the part of busy men was so great as to involve serious neglect of their own interests. Few could afford to take responsible offices, and those who did serve felt obliged to limit their terms to one year. The membership of the administrative council and district committees was therefore constantly changing.

In an effort to make the burden of leadership less heavy, the salaried office of commissioner was created in 1901, for the purpose of giving one man charge of the details of settling labor troubles and carrying on the executive work of the Association. This has greatly relieved the district committees as well as the president, for they are not called in now until all preliminary investigations have been made by the commissioner. When he believes a strike cannot be averted, the committee meet to decide whether or not they will grant support. In 1906, the president was allowed a salary for such a part of his time as the growing administrative work of the Association required. The result of these changes has been a greater permanence in the offices and a higher degree of efficiency all around. An adequate office and field force of experts, with headquarters in Chicago, New York, and Buffalo, handle the work of the Association. It has become an exceedingly effective business machine, altho much of the personal interest and relationship which prevailed when the group was smaller has necessarily been lost.

In order to obtain the Association's support in time of strike, a definite procedure is rigorously exacted of all

members. Experience has proven that anything short of this is sure to involve endless misunderstandings and other complications of a more serious nature. Before the defense work was thoroly systematized, there were many disagreements as to the amount of compensation and the circumstances under which it would be paid. Members took action and contracted expenses without authority from officers, council or district committees, and expected the Association to get them out of whatever further difficulties this involved them in with their molders, and to reimburse them for all expenditures. When this was refused, hard feeling, resignations and lawsuits followed. In 1904, in the general reorganization of the Association's affairs, the protective system was put on its present well-defined basis, and it was distinctly understood that thereafter all claims would be thrown out entirely if procedure had not been according to the letter of the by-laws.

A member having trouble with his men is required to notify the commissioner at once, in writing, giving the full details of the case. An immediate investigation is then made and if possible, the breach is patched up. This failing, the district committee is called together to determine whether or not the aggrieved member's cause is just, and the findings are reported to the administrative council, with whom rests the final decision as to the granting of support, its nature and amount. By asking the Association's aid, the member places the matter entirely in its hands and binds himself to carry out any decree of the council or of those acting under its authority, and pending the decision, he can make no settlement nor discharge his men without the consent of the council. In case support is granted, it may be in any one or more of the three ways already mentioned, provided that the supplying of men or the making of work

in another shop shall not be undertaken without the consent of the member. It is further understood, and now included in the by-laws, that in procuring molders, having the work done, or giving a money compensation to the amount of two dollars per man per day, this shall be only to the extent of seventy per cent of the men usually employed or the work produced as evidenced by the last quarterly report.

The method of defense having been decided upon, an *agreement for support* is entered into between the member and the Association in which the latter undertakes to assist and support the member for a reasonable period, this to be determined by the administrative council, who may reduce it from time to time or discontinue it entirely. The member in return agrees that the aid given is to be considered as the complete satisfaction of all claims on the Association because or on account of the prevailing strike, agrees not to make any terms with the strikers or their union representatives without the written consent of the council, agrees to provide at all times adequate police protection for the men furnished, and to absolve the Association from all responsibility for any industrial accidents which may occur. Finally, the member agrees that for a period of one year following the satisfactory adjustment of the trouble, he will conduct his foundry strictly on the "open shop" plan.

The support of the Association is by no means given every time it is requested, and in no case is a member entitled to aid until he has been in the organization at least two months. The council in its discretion may refuse help where the member has failed to advise the commissioner promptly of the existence and nature of the trouble, or when he has declined to comply with the advice of the president or commissioner. But having acted in accord with the Association's rules in all

respects, a member can expect to be supported in any attempt to enforce those principles for which it stands, as enumerated in the *outline of policy*. In other matters, the granting of aid will depend upon the issue involved and the justice of the member's position.

For the year ending November 1, 1913, the support of the Association was granted in thirty-two shops. As understood and classified by the Association, the issues involved were: —

Refusal to work with non-union men . . .	2
Attempt to organize and force closed union shops . . .	11
Control of molding machines	1
Elimination of differential wage rate	1
Refusal to discharge certain men for non-payment of special assessments levied by the Union	1
Demand for strictly closed union shop	3
Demand for closed union shop and reinstatement of men discharged for cause	1
Demand for minimum wage and closed union shop conditions	8
Apprentice ratio	1
Objection to employment of handymen	1
No demands; pickets from other shops on strike intimidated workmen until they refused to work	1
Objection to piece work and refusal to work with non-union men	1

It is obvious, of course, that the cause assigned by the employer in any dispute may be quite different from that mentioned by the men, and that often these causes are so interrelated as to make a singling out of any one utterly impossible. But from the above tabulation it appears that, at any rate in the employers' view, the maintenance of Association principles against the attack of the Union is the fundamental reason for the conflicts in support of which the Association lends its aid. Even if other factors are taken into account, the causes assigned by the Association must be considered to be the ones it believes the most important.

The Association by-laws have always required that during the existence of a boycott against the goods made by any member, none of the men originating the boycott should be countenanced until the boycott was removed. In recent years, since the anti-injunction propaganda of the unions has become so important, the administrative council of the Association has voted in individual cases to support members in their fights to have injunctions against the boycott and other union practices sustained.

From the formation of the Association, the attitude of a foundryman toward trade unionism has in no way affected his admission to membership. He can recognize the Union or not, as he pleases. For altho the Association as a body is definitely committed to the open shop policy, there is no requirement that each member shall run an open or non-union shop, nor, indeed, is a member obliged to conform to the *outline of policy* in all respects. If certain circumstances make it appear to an employer that he will be advantaged by signing an agreement with the Union, he is entirely free to do so. The one exception is that already noted: after having put his foundry on an open shop basis through the aid of the Association when he was having difficulties with the Union, he must retain this condition for at least a year. During the period of the agreement with the Iron Molders' Union, about 90 per cent of the Association's shops making heavy machinery were union and 80 per cent of the agricultural and malleable shops were open.¹ At the present time, 85 per cent of the members run open shops.²

¹ Proceedings, Conference, Detroit, November 9, 1899 (ms.), pp 12, 13; Proceedings, N F A, New York, November 13, 1901 (ms), p 85

² Hearings before the United States Commission on Industrial Relations, Washington, April 7, 1914, (ms), vol 1, pp 242-243, 245, 246, 248, 251.

Membership in the National Founders' Association is limited to "persons, firms, or corporations engaged as principles in and operators of foundries where castings in iron, steel, brass or other metals are made." There was a tacit understanding at the beginning that no foundryman would be admitted who was eligible for the Stove Founders' National Defense Association; and in practice, members who made castings in any respect similar to those made by members of the latter organization were supposed to be guided in their procedure with their molders as far as possible by the Stove Founders' agreements. In the last few years, however, due to a growing dissimilarity of policy of the two associations, this practice has not been observed, and a number of stove manufacturers who find their attitude toward labor unions more adequately expressed in the National Founders' Association than in the Stove Founders' have been admitted to the former.

In 1900, the first classification of members was made on the basis of work produced in their shops.¹ The results were as follows:

Agricultural	24
Architectural	9
Brass and Bronze	4
Engines — Electrical, Mining, and New Machinery . .	77
Furnaces and Heating	10
General Foundry Work	143
Light Grey Iron	33
Machine Tools, etc.	8
Malleable	29
Pumps, Valves, Hydrants, Pipe	18
Steel	10

By comparing the total thus represented (three hundred and sixty-five) with the membership of the Association (two hundred and seventy-five) at the time, it is

¹ Proceedings, N F A , Detroit, February 1, 1900, p 29; N F A , Confidential Circular No 26; N F A. Handbook, May, 1900.

evident, that a number of firms were making two or more kinds of castings. At present, a page selected at random in the published directory of members, shows one making "structural, engine, and railroad castings; sash weights; castings for brick and butter tub machinery; general work," another "general jobbing; automobile and grey iron castings," still another "air compressors; steam pumps; duplex engine governors," which list might be continued indefinitely.

During the first few years, tremendous efforts were made to increase the membership of the Association. No method of selection was used and bad risks frequently were taken. Not only did some employers who were notorious for always having strikes in their shops gain admission and demand protection, but members refused to pay their assessments, refused to obey the rulings of the council, and in other ways caused the Association much trouble and expense. There was, of course, a natural tendency for concerns not to value membership very highly until they were threatened with an insurrection of their employees, and they would then seek protection in the Association often only to resign when the difficulty was settled. The membership was far from stable, and in some years more resigned than were admitted.

For a time the law of the Association provided that "no person, firm or corporation shall be elected to membership who shall be engaged in a strike," but in practice, this rule was frequently waived and employers whose molders had actually walked out were admitted and gained protection. In many cases, by pursuing the policy of defending such a firm, a further extension of the trouble was prevented and the welfare of the Association was better conserved than would have been the case had the struck shop been denied help and been

forced to yield to the Union's demands, since such concessions would inevitably have spread to other foundries in the same locality. The by-laws were therefore changed to conform to practice, and a "probationary membership" was created to take care of those foundrymen who wished to join during a strike. The administrative council may, after investigation and careful consideration, by a two-thirds vote advance a probationer to full membership if it seems to be to the interest of the Association to do so. While on probation, the member pays all the fees and assessments of a regular member but receives no financial benefit. Members are not allowed to resign while they are in the midst of a strike or pending the settlement of a dispute, unless by special consent of the council; and in any event, four weeks' notice must be given and all obligations to the Association be paid in full. A member who has resigned may be reinstated by the council upon payment of a sum equal to all the assessments he would have paid had his membership continued without interruption.

In the last ten years great care has been exercised in the selection of members, for it has been clearly demonstrated that the Association's strength does not lie in numbers alone. In an effort to include only the best firms in the industry, every application for membership is carefully investigated before it goes to the administrative council. A personal visit to the foundry is made by one of the officers and the firm's financial standing and general reputation is looked into. It is the intention to keep out such concerns as will be a constant source of expense or may in other ways prove undesirable. If the preliminary investigation shows the firm to be running an up-to-date plant, treating its employees in an honorable manner, and having an adequate financial

backing, its name is approved by a two-thirds' vote of the administrative council and is then sent to every member to be voted on. Unless ten protests to admission are received, election is complete. Objections raised by other members in the district where the applicant is located may occasionally keep a foundryman out, but for the most part the procedure is purely routine.

Altho members of the National Founders' Association employ about one-eighth of all the molders and coremakers in the country,¹ their importance in the industry is probably considerably greater than this would seem to indicate, because labor-saving devices not often used in other foundries have made possible in Association shops the employment of fewer men in proportion to the value of the output than is the general average. The foundries vary in size from small jobbing shops employing only half a dozen molders to the huge establishments of some of the best-known manufacturers of heavy machinery and other cast iron specialties. No firm is admitted which is capitalized for less than \$50,000 and the entire membership may at times represent a total capital of half a billion.² This means, in general, that they are the most progressive and most efficiently managed plants in the country. The aim of the Association is to keep them such, for in developing its program for the maintenance of industrial peace it has well understood how important a part is played by fair conditions of work and a body of contented men.

¹ Cf. Thirteenth Census of the United States, vol. iv, Table VI. The fact that the Association's membership contains a few Canadian foundries makes an exact comparison impossible.

² The president stated in 1904 that he represented 600 members with a capitalization of \$400,000,000, employing 60,000 men (*The Review*, March, 1904, p. 6); and in 1906, 525 members were credited with \$500,000,000 capitalization (*ibid.*, March, 1906, p. 13). As the estimated number of members and operatives is considerably in excess of the number as reported by the secretary for these periods, it is entirely possible that the statement as to capital represented is somewhat liable to correction.

The number of members, the number of foundries represented, and the number of molders, coremakers, and apprentices employed is given in the following table:¹

Year	Number of Members	Number of Foundries	Number of Operatives
1898.....	66	...	....
1899.....	94	...	5,500
1900.....	369	...	16,646
1901.....	377	...	....
1902.....	494	527	27,389
1903.....	536	579	....
1904.....	456	...	....
1905.....	456	500	23,359
1906.....	475	531	....
1907.....	421	474	22,295
1908.....	419	467	14,373
1909.....	408	467	18,585
1910.....	426	492	22,039
1911.....	454	489	20,142
1912.....	484	520	23,593
1913.....	500	536	25,930
1914.....	484	514	21,598

Up to the end of 1903, the membership grew rapidly, but since then the growth has not been maintained. The causes of the change are several. The modification of policy as to mere numbers has already been noted. Between 1898 and 1903, there was probably not an employer of molders in the United States or Canada who did not have urged upon him at meetings, or through letters or personal interviews, the benefit of membership. Then too, the years from 1899 to 1903 saw a boom in the foundry industry such as it has not since experienced. This meant a greater growth of the

¹ The difference between number of members and number of foundries is due to the fact that some of the concerns operate several shops in different parts of the country. Since 1907, membership has been counted by separate foundries rather than firms, but the secretary has estimated the number of the latter these foundries represent. Figures are for June, 1898; February, 1899; the average of the last quarter for 1900; and for the succeeding years, for the time of the annual meeting in November. Number of operatives given for 1899 is approximate. The secretary reported 94 firms with an average of 59 employees each. (Proceedings, N.F.A., Buffalo, February 1, 1899.)

Iron Molders' Union and more aggressive activities than have occurred at any similar period in the Association's history. Thus there was a very special reason for many foundrymen to seek protection from the demands of their men. Some of the heavy increase in 1899 and 1900 must certainly be attributed to the signing of the agreement with the Union, about the efficacy of which as a preventive of strikes all were very optimistic. After 1903, the attitude of the Association began to change, and many members resigned, some on that account, and some because the industrial boom was waning. Between November 1903 and April 1904, sixty-five resignations were received while only twenty-one members joined; between April and August thirty-three resigned and seven were added; between August and November thirteen resigned and two were added. The reasons given for these withdrawals were that the Association was of no assistance to the members because of their isolation, failure in business, expense, disagreement with the Association's policy.¹

No loss whatever occurred because of the complete change of procedure in 1904, altho there was considerable fear that this result would follow the abrogating of the agreement. Some change in the personnel took place, of course, but resignations were fully counterbalanced by the acquisition of foundrymen who had previously refrained from allying themselves with an organization which they felt tended to foster in their shops what they believed to be the uneconomic and unfair practices of unionism, and to that extent handicapped them as against some of their competitors. Such fluctuations as have taken place since 1903 may be explained almost entirely by referring to industrial

¹ Proceedings, N.F.A., Cincinnati, November 16, 1904, in *The Review*, December, 1904, p. 9.

conditions and the state of the labor market. When times are good and molders in demand, membership increases. When the contrary is true the Association is not so large. There has been nothing of late years in the way of generally prevalent labor troubles to force employers into the Association. It was reported at the annual meeting in November 1914, that protection had been required for only five members during the preceding year; in 1913 there were thirty-two strikes and the membership was somewhat greater than in 1914; in 1912, twenty-one shops were protected.¹ Of the foundrymen who stay out of the Association, some consider it too radical, others are satisfied to allow it to provide conditions making for an industrial peace in which they share but with the expense of which they are unwilling to be burdened, and still others have always succeeded in maintaining such harmonious relations with their men that they feel no need of help from the Association.

It has been suggested that the weakening of local influence which resulted when the district committees ceased to come intimately in touch with individual affairs might be mitigated by the formation of local bodies of foundrymen coming together in the national Association, but this has never proved feasible. There are already local organizations of foundrymen in a few of the large centers, to which members of the National Founders' Association in some cases belong, but as a rule the local groups have been so heterogeneous in their constituency as to make an effective method of control impossible, and except for occasional coöperation in the handling of a particular local matter, there has never been any connection between the two.

¹ Iron Trade Review, November 26, 1914, p 1004; Proceedings, N F A , New York, November 19, 1913, p 17, *ibid* , New York, November 20, 1912, p 29

An annual meeting of the Association is held in November at which officers and district committees are elected. It is a well-established practice that the vice-chairmen of the latter shall succeed the next year to the chairmanship. Votes have always been allowed on all subjects in proportion to the assessments paid. At present each member has one vote, and those members whose assessments exceed one hundred dollars a year are entitled to one additional vote for every one hundred dollars so paid. In the formative years much of the time of the convention was necessarily devoted to discussions of policy, government and administrative details. But the constitution and by-laws as well as the policy which crystallized in 1904 have proven so satisfactory as to have occasioned no subsequent concern. Except for the necessary routine business, the annual meetings are devoted to consideration of the larger aspects of the labor problem, such as legislation, both state and federal, safety and sanitation work, industrial education, and the like. At many of the meetings there is no mention whatever of trade unions. Even the administrative council now meets only at the time of the annual convention, since there is no constitutional rule regarding this beyond the provision that the president shall convene it in his discretion or on the written request of four members. Special meetings of the entire Association may be called when there are grave conditions threatening its welfare, but only three have ever been held, the last at the time of the great molders' strike in 1906. When such emergency meetings are held, any decision there reached becomes binding on all members.

Foundrymen on joining the Association agree "1st, In consideration of fair dealing being a cardinal principle of this Association, to protect any of our fellow members

who may require our support against any unjust demands of labor organizations and to endeavor to settle all disputes amicably. 2nd, To obey the constitution and by-laws and all rules made in conformity with the same, provided they do not conflict with the laws of the country, state or province in which we do business."

No bond is required that this pledge will be kept and at first the disciplinary machinery was so defective that members could disregard their obligations with impunity. A particularly bad breach of faith on the part of some members in 1901 led to the strengthening of the hands of the officers so as to give power of investigation and suspension for cause, and this has been used in a few cases where the member concerned settled with the Union after agreeing to leave his dispute entirely in the hands of the administrative council. It never was used to force members to live up to the agreement with the Union, altho there were a number of cases of violation in which support was denied.

Especially difficult have been the cases in which members have refused to meet their financial obligations. The by-laws require that if assessments are not paid as they become due, that is within thirty days after proper notification, a draft shall be drawn against the delinquent. If he fails to honor this, his membership in the Association ceases automatically except that the council may reinstate him upon his showing cause for non-payment and meeting all past indebtedness. On the other hand, members are not expected to leave with dues to the Association unpaid. If sight drafts and collectors fail to secure payment, a lawsuit may result. The decision in an interesting litigation in Ohio in 1904 established the legal status of employers' associations and their right to control their members. It was held that being formed for the purpose of mutual protection,

the Association could not only sue and recover for dues and assessments, but also that the application for membership and the acceptance thereof constituted a valid contract and that thereafter the member was bound by the constitution and by-laws.¹

The initial financial system left much to be desired both as to income and expenditure. The annual dues of fifty dollars went into a general fund, available for current expenses, and in addition, all members on joining paid into the reserve fund such a sum in proportion to the unexpended balance of the fund as the number of molders they employed bore to the total number of molders employed by all members. Each member paid to the reserve fund ten cents a month for every molder employed, molders' and coremakers' apprentices and unskilled coremakers counting two as one molder. The basis of these assessments was the average maximum number of molders employed in each month of the preceding quarter as reported to the secretary.

But these sums were not sufficient to carry on the work of the Association and special assessments of one dollar a molder were levied, sometimes one, two or more a year. This meant for many members a great expense, not always commensurate with the benefit they were receiving. One of the largest concerns in the organization paid in one year \$600 in regular assessments, and between \$3,000 and \$4,000 in special assessments. In 1900, the contribution which a firm joining would have to make to the reserve fund averaged a little more than \$11 per molder, and the total amount paid was in some cases \$600 and \$700.² This heavy expense brought a number of resignations. Other members believed that the burden was not fairly distributed, in that there was

¹ National Founders' Association v. Taplin Rice and Company, Court of Common Pleas, Akron, Ohio, 1904 See *The Review*, January, 1905, pp 13-16

² Proceedings, N F.A , New York, November 13, 1901 (ms), pp 67, 83

no gradation of assessment on the basis of the molders' skill, altho it was well-known that loam or machinery molders were infinitely harder to replace than squeezer men or machine operators. In 1902 a change was made to take account of this, and again in 1904, so that at the present time the assessments are as follows: for journey-men floor molders, forty cents per man per month; for journeymen bench molders and journeymen coremakers, thirty cents per man per month; for molders' apprentices, specialty molders not skilled in the general trade of molding, molding machine operators, unskilled coremakers and coremakers' apprentices, twenty cents per man per month; but in no case may the dues amount to less than fifteen dollars per quarter.

The only foundry employees upon whom Association members pay assessments and against whose strikes protection is supplied are molders of varying degrees of skill and coremakers. In 1906, when the Brotherhood of Foundry Employees, a union of cupola tenders, helpers, gangway men and the like seemed to be growing in power and importance, the officers of the Association considered the advisability of including them as assessable operatives, with consequent protection to members in case of trouble from that source. But no steps have been taken to bring about this added service, due no doubt to the fact that such unskilled help is replaced so easily that individual employers can fill without difficulty any vacancy caused by their striking and no need has been felt for the Association to assume this responsibility.

Data regarding assessable operatives have been furnished by the secretary of the Association from the reports of members for the last quarter of selected years.¹

¹ The figures given here differ somewhat from those presented on p. 375, due to the fact that the latter, except for 1900 are as reported at the annual meeting in November and are for the third rather than the last quarter

	1900	1902	1905	1910	1913
Floor molders, skilled . . . . .	..	10,527	8,900	6,404	7,430
Bench molders, skilled . . . . .	..	4,220	3,063	2,586	2,800
Floor and bench molders	10,034	.	..	.	..
Specialty molders . . . . .	.	.	1,807	2,489	3,060
Specialty molders and machine operators . . . . .	..	4,067	...	.	.
Specialty molders and apprentices	1,959	.	.	.	.
Molding machine operators	1,248	.	2,716	3,219	4,502
Molders' apprentices . . . . .	...	.	2,432	1,861	1,968
Molders' apprentices, unskilled coremakers and apprentices . . . . .	.	5,837	.	..	.
Coremakers, journeymen	1,907	2,738	2,217	2,268	2,660
Coremakers, unskilled . . . . .	.	.	1,357	1,445	1,913
Coremakers' apprentices . . . . .	...	.	867	862	887
Coremakers, specialty and apprentices	1,498	..	.	.	.
Total	16,646	27,389	22,359	21,134	25,220

The annual dues of fifty dollars have been abolished, but the original provision for contribution to the reserve fund on joining has been retained and supplemented by a further provision that the council may in its discretion collect an even greater sum. The aim has always been to build up a reserve or defense fund of sufficient size to provide for emergencies, which should at the same time serve as a preventive of as well as a protection against the excessive demands of a too confident union. The enormous defense fund of the Stove Founders' National Defense Association, which has not had a strike of its molders in twenty-five years, has seemed a feature desirable to copy. For a time it was quite impossible to accumulate very much in the reserve, but in 1903, due to the growing conviction that the financial basis was not entirely sound, a number of changes were made which laid the foundation for the present system. Since then, a reserve fund of some size has been continuously

maintained. All assessments now go into the general fund; from this appropriations to the reserve are made from time to time by the administrative council, in whose care all financial matters have been placed. Special assessments are levied occasionally for the purpose of increasing the reserve fund and thus equalizing the cost of labor troubles over a period of years, and they have also been asked to meet the requirements of an unusually expensive strike.

No financial statement is published. Any estimate of the Association's income based on the data previously presented as to the number of operatives upon whom assessments are paid is of little value, because of the unknown but fairly frequent special assessments. In a sense, the financial resources are unlimited, for no difficulty is experienced in collecting funds when real danger threatens, and it is the policy to ask for extra contributions at such times instead of drawing on the reserve fund. No one resigning or expelled is entitled to a refund on what he has paid in, unless he is retiring from business, in which case he receives such a proportion of the reserve as his percentage of contribution to the average of the last two assessments bears to the balance of the fund unappropriated.

The defense work of the National Founders' Association thus far described has been that which aids members who have come into actual conflict with the Iron Molders' Union. Another part of its activity is concerned directly with the prevention of strikes. The undertakings which have been engaged in for the purpose primarily of avoiding labor difficulties and building up a strong body of non-union molders should be briefly mentioned. After a most unsatisfactory trial of private detective agencies the Association has taken over its

own secret service work in a department organized expressly to receive information from special representatives, union and independent, in the shops of its members. These confidential correspondents keep the Association informed as to conditions in the foundries, report incipient trouble and proposed outbreaks of the Union together with suggestions as to how they may be averted, and help in running down union thugs, wrecking gangs, and operations of a lawless nature designed to harm Association plants and non-union laborers. At no time was the inherent usefulness of this branch of the Association's work better demonstrated than in 1906, when through its channels information was received as to the demands which were to be made by the Union on May 1. The Association, being unwilling to meet them, had ample time to prepare for the general strike which followed. Organized safety and sanitation work has been recently undertaken, partly to meet the new workmen's compensation laws and partly as another means of keeping the men contented by giving them better places in which to work, thereby decreasing the likelihood of strikes. The encouragement of friendly relations between employer and foremen, that the latter may side with the firm rather than with the Union in case of trouble, of proper training for apprentices, of the installation of molding machines, specialization, etc., so as to avoid the worst features of cessations, the insistence upon fair conditions generally, are all a part of the Association's defense system that seems to have borne fruit in the increasing size and representativeness of the body of non-union men who are loyal to the Association and can be depended upon whenever the Union undertakes to cross the path of their employers.

Inability to reach their men in such a way as to put before them fairly the principles for which the Associa-

tion stands and the larger aspects of the labor problem generally, was early recognized as a serious handicap to the establishment of the desired relations between employer and employees, and in 1904 an attempt was made systematically to counteract the teachings of unionism on these points by publishing and distributing to the molders of the country such printed material as would correctly state the Association's position, what were believed to be the fallacies of the trade union arguments, and the program of equitable dealing under which the Association aims to operate its shops. The leaflets of this original experiment have expanded into a creditable monthly journal known as *The Review*, which is published jointly with the National Metal Trades Association, and which has a mailing list of 12,000 names. Its purpose is to provide gratuitously, reading material dealing with trade and industrial questions for the metal workers of the country who otherwise have to depend upon what is thought to be the one-sided interpretation presented in the *Iron Molders' Journal* and similar organs. In *The Review* of course, emphasis is laid on the justice of the Association's position in the matter of industrial relations.

With the perfecting of the defense system as outlined, the Association has been free to devote itself to other phases of the problem which is its chief interest. It has coöperated with those organizations whose purpose is to repress the enactment of laws which make for the benefit of union men as against non-union men and the manufacturers. To this end, it has joined with the National Association of Manufacturers, the National Council for Industrial Defense, and the Anti-Boycott Association in fighting anti-injunction laws, laws designed to limit employment in various ways, as certain regulations of hours, certain types of workmen's com-

pensation laws, minimum wage laws, and the like. The National Founders' Association has itself at times retained a representative in Washington to watch proposed legislation of possible interest to the Association and to direct attempts to quash such as is undesirable. On the other hand, the Association has given hearty support to those laws which it believes fair and proper. One of the first men who studied the workmen's compensation question was appointed to do so by the National Founders' Association and was afterwards sent to Europe for the same purpose by the state of Minnesota. The Association's safety and sanitation expert has helped to draft a number of state compensation laws, that of Indiana being the Association's model law almost *in toto*. The Foundry Code recently adopted by New York state was drawn up by a board of employers all but one of whom were members of the National Founders' Association.

Enough has been said to show that the National Founders' Association, altho a voluntary organization formed to deal collectively with the employees of its members, is as much of a business as is the conduct of the private enterprises of any one of its constituency. Its creed is said to be based on the assumption that its members and their men are living in a free country and that their constitutionally guaranteed freedom to contract must not be interfered with by private or public forces. It directs its strength against those agencies which are thought to hold a contrary view and has organized its own activities so as best to meet the opposition and advance its own welfare. But tho all business is selfish in essence, and tho the National Founders' Association is putting into operation those undertakings which make for its own protection, yet it provides at the same time safe and sanitary places in which to work,

hours no longer than the going schedule, and wages often in excess of the union rate. While objection may be raised to the paternalism this program involves, the Association has always justified it on the ground that in protecting the independent molders of the country against union monopoly, it is performing a real service for those men who wish to be unrestricted but who without support from their employers would never be able to throw off the union control which they find irksome. The present paper does not aim to decide which condition is the more desirable.

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